



August 23, 2005

Mr. John F. Carter
Regional Director
Federal Deposit Insurance Corporation
25 South Jessie Street at Eker Square
Suite 2300
San Francisco CA 94105

Dear Mr. Carter:

On behalf of the more than 1.3 million members of the American Federation of Teachers (AFT), I urge you to reject Wal-Mart's recent application for an Industrial Loan Corporation Charter (ILC) to establish a Wal-Mart Bank.

Wal-Mart has a long history of not complying with either federal law or federal regulations, and currently it is facing both a class-action lawsuit charging widespread gender discrimination and a grand jury investigation of key Wal-Mart executives for the misuse of corporate funds. These proceedings, as well as many other discrimination and wage-and-hour abuses, are well-documented. Given this disturbing pattern of violations of federal law and pending regulatory investigations, we believe it is contrary to the public interest to grant the charter to Wal-Mart Bank.

Further, Wal-Mart has never hidden its primary goal of establishing a national, full-service banking system through all of its stores in as many as 22 states. However, federal and state authorities have rejected these efforts on at least three occasions. We believe that the approval of this application would move Wal-Mart a step closer toward meeting that ultimate objective of setting up a national bank with potential anti-competitive powers. As you are aware, ILCs are not subject to the stricter regulations and standards of bank-holding companies.

For the reasons stated above, the American Federation of Teachers urges you to reject the Wal-Mart application to establish an ILC in Utah.

Thank you for considering AFT's views on this important matter.

Sincerely,

Edward J. McElroy
President

American Federation
of Teachers, AFL-CIO

AFT Teachers
AFT PSRP
AFT Higher Education
AFT Public Employees
AFT Healthcare

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